

Detailed Analysis of Individual Private Contributions to Higher Education – the case of England

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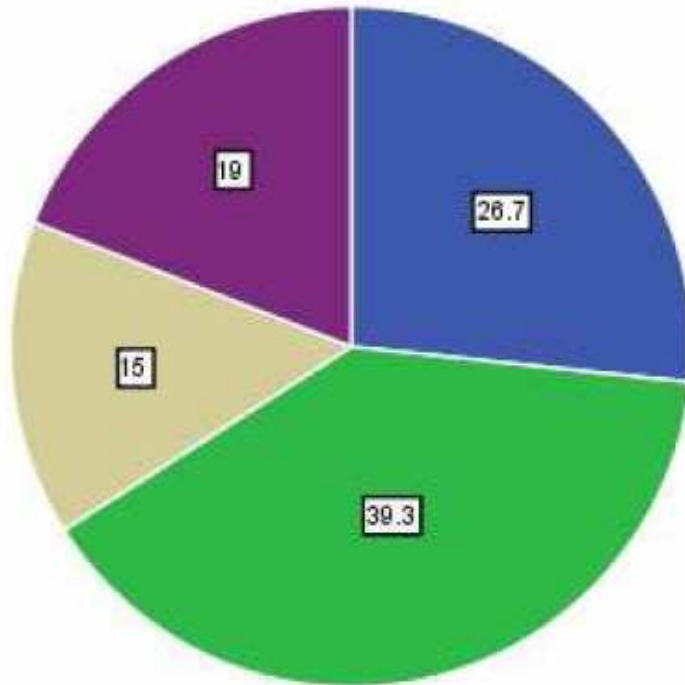
Jill Johnes

Higher socio-economic groups have a disproportionately high propensity to 'send' their children to higher education institutions

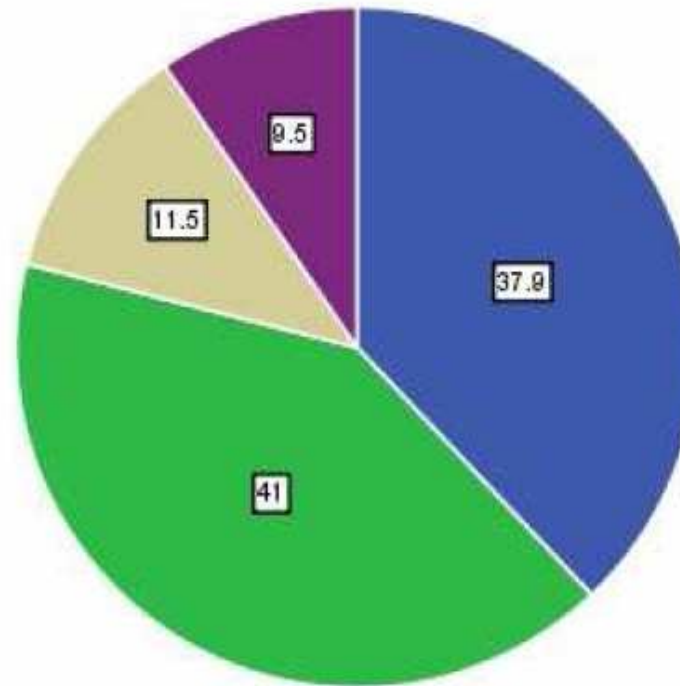
Socio-economic group based on parental occupational classification (main income earner) rather than income, owing to high non-response rate in Eurostudent for parental income data – but for the small sample for which we have both parental occupation and parental income, the results are qualitatively similar.

Socio-economic background	Labour Force Survey	Eurostudent (all data)	Eurostudent (selected data)
	Percentile	Percentile	Percentile
Low	32 %	12 %	11 %
Lower medium	51 %	23 %	23 %
Higher medium	81 %	65 %	63 %
High	100%	100 %	100 %

Students living with parents



Students not living with parents



Socio-economic background

- High
- Higher Medium
- Lower Medium
- Low

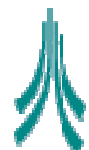
Socio-economic background											
	Living with parents					Not living with parents					F (all 8 groups)
	Low	Lower Medium	Higher Medium	High	F	Low	Lower Medium	Higher Medium	High	F	
Grants	£1,325	£777	£776	£724	3.197**	£1,175	£1,203	£813	£456	22.195***	11.43***
Student loans	£2,313	£2,246	£1,918	£1,918	1.977	£3,290	£3,380	£3,086	£2,664	14.318***	22.31***
Earnings	£2,597	£3,040	£2,964	£3,422	2.574	£2,299	£2,265	£2,044	£1,741	2.130*	5.81***
Family contributions money	£510	£782	£899	£1,241	1.251*	£1,046	£1,399	£2,177	£3,351	52.248***	43.04***
Family contributions in-kind	£309	£276	£394	£325	1.041	£168	£362	£320	£394	1.791	1.27
Other	£1,227	£1,429	£1,276	£1,235	0.451	£1,879	£1,642	£1,562	£1,678	0.903	0.90

Socio-economic background					
	Low	Lower Medium	Higher Medium	High	F
Provided Income	£5,678	£5,941	£6,124	£6,595	43.017***
Found Income	£3,836	£3,679	£3,313	£3,043	3.119***

	Living with parents					Not living with parents					
	Low	Lower Medium	Higher Medium	High	F	Low	Lower Medium	Higher Medium	High	F	F (all 8 groups)
Student Expenditure	£8,302	£9,590	£8,342	£7,530	1.283	£9,283	£8,930	£9,438	£9,122	.500	1.869*

	Living with parents					Not living with parents				
Student Expenditure	Low	Lower Medium	Higher Medium	High	F	Low	Lower Medium	Higher Medium	High	F
Participation	£1,389	£1,406	£1,419	£1,388	0.293	£1,401	£1,421	£1,381	£1,403	0.544
Maintenance	£7,210	£8,214	£6,916	£6,370	1.032	£7,891	£7,543	£8,018	£7,753	0.439
Total	£8,599	£9,621	£8,334	£7,758		£9,291	£8,964	£9,398	£9,156	

Students living with their parents									
	Low	Lower Medium	Higher Medium	High		Low	Lower Medium	Higher Medium	High
Income					Expenditure				
Grants	£1,325	£777	£776	£724	Participation	£1,389	£1,406	£1,419	£1,388
Student loans	£2,313	£2,246	£1,918	£1,918	Maintenance	£7,210	£8,214	£6,916	£6,370
Earnings	£2,597	£3,040	£2,964	£3,422	Total	£8,599	£9,621	£8,334	£7,758
Family contributions money	£510	£782	£899	£1,241					
Family contributions in-kind	£309	£276	£394	£325					
Other	£1,227	£1,429	£1,276	£1,235					
Total	£8,281	£8,551	£8,227	£8,865					
Plus in-kind transfers					Plus in-kind transfers				
Direct non-cash support	-	-	-	-	Direct non-cash support	-	-	-	-
Total (money and in-kind)	£8,281	£8,551	£8,227	£8,865	Total (money and in-kind)	£8,599	£9,621	£8,334	£7,758
Public subsidies					Public subsidies				
Direct cash support	£1,706.65	£1,147.59	£1,092.47	£1,040.47	Direct cash support	£1,706.65	£1,147.59	£1,092.47	£1,040.47
Direct non-cash support	-	-	-	-	Direct non-cash support	-	-	-	-
Indirect cash support	-	-	-	-	Indirect cash support	-	-	-	-
Indirect non-cash support	-	-	-	-	Indirect non-cash support	-	-	-	-
Total public subsidies	£1,706.65	£1,147.59	£1,092.47	£1,040.47	Total public subsidies	£1,706.65	£1,147.59	£1,092.47	£1,040.47
Public subsidies in student income	21%	13%	13%	12%	Public subsidies in student expenditure	20%	12%	13%	13%



Students not living with their parents									
	Low	Lower Medium	Higher Medium	High		Low	Lower Medium	Higher Medium	High
Income					Expenditure				
Grants	£1,175	£1,203	£813	£456	Participation	£1,401	£1,421	£1,381	£1,403
Student loans	£3,290	£3,380	£3,086	£2,664	Maintenance	£7,891	£7,543	£8,018	£7,753
Earnings	£2,299	£2,265	£2,044	£1,741	Total	£9,291	£8,964	£9,398	£9,156
Family contributions money	£1,046	£1,399	£2,177	£3,351					
Family contributions in-kind	£168	£362	£320	£394					
Other	£1,879	£1,642	£1,562	£1,678					
Total	£9,857	£10,251	£10,002	£10,284					
Plus in-kind transfers					Plus in-kind transfers				
Direct non-cash support	£201 ⁵⁷	£201	£201	£201	Direct non-cash support	£201	£201	£201	£201
Total (money and in-kind)	£10,059	£10,452	£10,204	£10,485	Total (money and in-kind)	£9,493	£9,166	£9,600	£9,357
Public subsidies					Public subsidies				
Direct cash support	£1,717.85	£1,760.70	£1,322.19	£895.56	Direct cash support	£1,717.85	£1,760.70	£1,322.19	£895.56
Direct non-cash support	£201	£201	£201	£201	Direct non-cash support	£201	£201	£201	£201
Indirect cash support	-	-	-	-	Indirect cash support	-	-	-	-
Indirect non-cash support	-	-	-	-	Indirect non-cash support	-	-	-	-
Total public subsidies	£1,918.85	£1,961.70	£1,523.19	£1,096.56	Total public subsidies	£1,918.85	£1,961.70	£1,523.19	£1,096.56
Public subsidies in student income	19%	19%	15%	10%	Public subsidies in student expenditure	20%	21%	16%	12%

Conclusions

Public support falls and private contributions rise as socio-economic background of the student is raised. Differences across income groups are sometimes significant.

The proportion of public subsidy in student income is much lower than the proportion of all higher education expenditures accounted for by the public purse, because the former does not include subsidies to higher education institutions.